

# ANNUAL BUDGET

2003-2004

Chandler, Arizona



*Calendar Year 2003 has been referred to as the “Year of Transportation” in Chandler, Arizona, due to all of the traffic activity the City is experiencing. As one of the fastest growing cities in the nation, Chandler is coping with increased traffic. This Geographic Information System (GIS) map shows the locations of street intersections that are part of the Traffic Communications Network. The Santan Freeway that is under construction will connect the East Valley with the 101 and Interstate 10.*



**Chandler + Arizona**  
Where Values Make The Difference





To the Citizens of Chandler:

As we reflect upon the past 12 months in the City of Chandler, we were witness to a roller coaster of emotional and sometimes tragic events balanced by unprecedented successes.

We fought through a tough economy and experienced the heartrending death of a police officer. But we also celebrated new industry and retail coming to the area, new City programs and services and the development of several local amenities including several new and refurbished parks.

We saw many companies making a new presence in Chandler, including AmeriCredit, Amersham and Countrywide Finance. And we saw some of our existing corporate neighbors – Wells Fargo, Intel and Isola Laminates – making exciting new plans for growth in Chandler.

The Santan Freeway construction is in full swing, heading east through Chandler. It was great news to hear the Arizona Department of Transportation's announcement on its commitment to rubberized asphalt on Valley freeways, including the Santan and Price freeways in Chandler. This is critical to the quality of life of our citizens and those throughout the region.

The Santan will also bring new development opportunities, much like we experienced with the Price Freeway where we saw new industrial, retail and office projects from Warner Road into south Chandler.

Great news for Chandler in May when it was announced that the firm of Fitch Ratings gave Chandler its first AAA rating on its General Obligation Bonds. These bonds are sold to investors to help cities invest in large capital projects. The higher the rating, the lower the interest rate. That means a savings on the repayment of the debt of the bonds. That, of course, equates to a savings to the taxpayers of Chandler. It is estimated that this new rating will mean a savings of up to \$1 million on the sale of bonds currently in the City's Capital Improvement Program (CIP).

Now, we must create a plan for the City's build-out – which could occur in the next 15 years, leaving us with an estimated population of 280,000 to 290,000 residents. When we do reach this point we must ensure that we have plans in place for the sustainability of the community. We must find ways to preserve and strengthen our economic base – particularly in the face of declining impact fees. And certainly, we must be able to maintain the service levels at build-out that we are providing today.

It is now with great pride I present to you the 2003-2004 City of Chandler Budget. Each year, we bring to you this document as a tool to better understand the financial aspects of how your city is run and how your tax dollars are utilized.

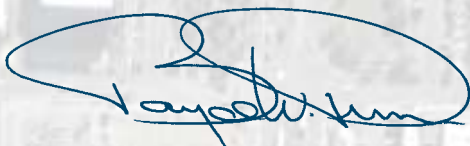
As we prepared the budget for the coming fiscal year, we remained fiscally responsible and conservative in our actions. You will see this is a very conservative budget. It represents a 1.9 percent decrease from the previous year. While we are not facing layoffs, hiring freezes or the use of reserve funds we are taking great caution in our spending.

We have also held the line on City utility fees with no increases in water and wastewater fees since 1994, and no increases in solid waste pick-up fees since 1993. We have held fast our commitment to use our contingency funds only in times of true emergencies.

We kept the City Property Tax rate at \$1.28, and also made many proactive changes in the CIP process including greater scrutiny of proposals and more in-depth review of operation and maintenance costs involved with those projects.

Please take some time to review your City's budget. I assure you that every area of the budget has been explored to ensure our excellent service levels remain, but that no unnecessary costs to taxpayers exist within these pages. It is my guarantee to you.

Sincerely,

A handwritten signature in dark ink, appearing to read "Boyd W. Dunn", enclosed within a large, loopy oval shape.

Mayor Boyd W. Dunn



**Chandler • Arizona**  
*Where Values Make The Difference*





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## READER'S GUIDE TO THE BUDGET DOCUMENT

This budget document has been prepared to present a financial plan that an average citizen can read and understand, and to provide the City Council and City Management with a tool to help meet their goals and provide quality service levels at the lowest cost to citizens. This budget document is also designed to continue our long tradition of meeting or exceeding the standards set by the Government Finance Officers Association (G.F.O.A.) for a Distinguished Budget Presentation Award, by providing: a Policy Document; an Operations Guide; a Financial Plan and a Communication Device.

**Introduction** – This section includes the City's Mission Statement, Biographies of City Officials, Organizational Chart, City Maps and Community Profile with Demographics.

**Budget Message and Overview** – The City Manager's Message provides an overview of the key policy issues, programs, prior year accomplishments and future endeavors. Summaries of the 2003-04 Budget by revenue, expenditures, fund balance and personnel are also included in this section.

**Budget Policies and Major Issues** – This section begins with a summary of policies and guidelines, the budget process and calendar. The remainder of the section describes in greater detail the major issues as well as positions and program additions of the 2003-04 Annual Budget.

**Resources** – The resources section provides summarized data of the comparison of the 2002-03 Budget and the 2003-04 Budget. Detailed descriptions of major revenue sources with historical trends and analysis are presented here as well.

**Department Budgets** – The section includes budget information summarized at department and division level, division goals, objections and performance indicators, authorized positions and significant changes by divisions within City departments. In the City of Chandler each division is assigned a unique number, known as the "cost center"; the information in this section is presented in the sequential cost center number within a department.

**Capital Budget** – Capital appropriations are provided at the summary and cost center level for major capital programs, operating capital and capital replacement. The relationship between capital and operating budgets is also included in this section.

**Bonded Debt** – This section includes the City's debt obligations, bond capacity available, schedule of total outstanding debt, brief descriptions of bond types with revenue sources used to repay bonded debt, as well as bond payment schedules with actual principal and interest due through 2020.

**Schedules and Terms** – Included in this segment are the following: the Resolution Adopting the 2003-04 Budget, the State-required Auditor General Summary Schedules, the 2003-04 Salary Schedule, Expenditure Categories, a Glossary of Terms, and a list of Acronyms used in this Budget.



## **QUICK REFERENCE GUIDE**

The following will assist the reader with answering some of the more commonly asked questions about the City of Chandler Annual Budget.

<b>TO ANSWER THESE QUESTIONS...</b>	<b>REFER TO THE ...</b>	<b>PAGE...</b>
What are the major issues in the budget?	Budget Policies and Major Issues	pp 52-60
What are the City's major expenditures?	Cost Center/Department Summary Budget Comparisons; and Details by Department/Cost Center	pp 26-28 and pp.99-295
What are the City's major revenue sources?	Revenues Details	pp 61-98
How many staff does the City employ?	Personnel Summary	pp 37-40
How is the City organized?	Organization Chart	p 10
What is the population of the City?	Demographics	p 15
What is the budget development process?	Budget Process	pp 48-51
Who are the major employers in Chandler?	Community Profile	p 12
What are some of the annual events sponsored by the City?	Community Profile	p 13
What portion of the annual budget is allocated to Capital Improvements?	Budget Message and Overview and Capital Budget	p 20 and p 297
In what cost centers are Major Capital Programs scheduled for 2003-04?	2003-04 Major Capital Program	pp 310-316

